

70A-9a-206 Security interest arising in purchase or delivery of financial asset.

- (1) A security interest in favor of a securities intermediary attaches to a person's security entitlement if:
 - (a) the person buys a financial asset through the securities intermediary in a transaction in which the person is obligated to pay the purchase price to the securities intermediary at the time of the purchase; and
 - (b) the securities intermediary credits the financial asset to the buyer's securities account before the buyer pays the securities intermediary.
- (2) The security interest described in Subsection (1) secures the person's obligation to pay for the financial asset.
- (3) A security interest in favor of a person that delivers a certificated security or other financial asset represented by a writing attaches to the security or other financial asset if:
 - (a) the security or other financial asset:
 - (i) in the ordinary course of business is transferred by delivery with any necessary indorsement or assignment; and
 - (ii) is delivered under an agreement between persons in the business of dealing with such securities or financial assets; and
 - (b) the agreement calls for delivery against payment.
- (4) The security interest described in Subsection (3) secures the obligation to make payment for the delivery.

Enacted by Chapter 252, 2000 General Session